

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

JAMES CONTANT, MARTIN-HAN TRAN,
CARLOS GONZALEZ, UGNIUS MATKUS,
JERRY JACOBSON, and PAUL
VERMILLION, on behalf of themselves and all
others similarly situated,

Plaintiffs,

v.

BANK OF AMERICA CORPORATION,
BANK OF AMERICA, N.A., *et al.*,

Defendants.

Case No. 17-cv-03139-LGS

**MORGAN STANLEY'S ANSWER AND AFFIRMATIVE DEFENSES TO PLAINTIFFS'
SECOND CONSOLIDATED AMENDED CLASS ACTION COMPLAINT**

Defendants Morgan Stanley, Morgan Stanley & Co., LLC, and Morgan Stanley & Co. International plc (collectively “Morgan Stanley”), by the undersigned attorneys, answer as follows the allegations of the Second Consolidated Class Action Complaint (the “SCCAC”) filed by Plaintiffs in the captioned action.

GENERAL RESPONSE

Except for those allegations expressly admitted herein, Morgan Stanley denies each and every allegation in the SCCAC.¹ Morgan Stanley specifically incorporates into each response a denial of all allegations concerning its purported participation in the alleged conspiracy described in the SCCAC. Morgan Stanley denies knowledge or information sufficient to form a belief as to the truth of any allegations as to any other Defendant, denies any responsibility for any wrongdoing ascribed to any other Defendant, and avers that no negative inference can properly be drawn against Morgan Stanley based on the alleged conduct of any other Defendant. Morgan Stanley respectfully submits that it is required to respond only to those allegations made specifically against Morgan Stanley.

Morgan Stanley expressly denies that Plaintiffs have standing to sue, and/or to represent a putative class of similarly situated individuals and/or entities, in connection with their claims.

Morgan Stanley responds to the specific allegations in the SCCAC as follows:

¹ Except as otherwise defined herein, the defined terms of the SCCAC are incorporated herein by reference. Morgan Stanley denies that the headings, sub-headings, graphs, unnumbered paragraphs, and prayers for relief contained in the SCCAC constitute allegations of fact, but denies them to the extent that they are considered such.

Response to Paragraph No. 1:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to whether Plaintiffs are indirect purchasers of spot FX Instruments from Defendants or others and, on that basis, the allegations are denied. Morgan Stanley denies any remaining allegations in Paragraph 1 and the corresponding footnotes except admits that Plaintiffs purport to bring this action as a class action under several states' laws and purport to refer to defined terms in their footnotes 1 and 2. Morgan Stanley refers to the cited material for its complete content and context.

Response to Paragraph No. 2:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 2 and the corresponding footnote as to Morgan Stanley except admits that at times traders from Morgan Stanley communicated with traders from certain other Defendant banks.

Response to Paragraph No. 3:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 3 as to Morgan Stanley.

Response to Paragraph No. 4:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 4 except admits that government authorities have investigated conduct in the FX market and have made public certain

finances and other sanctions. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 5:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 5 as they relate to Morgan Stanley except admits that Morgan Stanley was named as a defendant in the *FOREX* action, that it has settled the *FOREX* action while denying each and all of the claims and allegations of wrongdoing and liability, and that the Court granted final approval of the *FOREX* settlement with Morgan Stanley. Morgan Stanley refers to the cited materials for their complete content and context.

Response to Paragraph No. 6:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in the first sentence of Paragraph 6, and on that basis, the allegations are denied. The remainder of Paragraph 6 contains legal conclusions, which Morgan Stanley is not required to admit or deny; to the extent that a response is required, Morgan Stanley denies any remaining allegations.

Response to Paragraph No. 7:

Paragraph 7 contains legal conclusions, which Morgan Stanley is not required to admit or deny. To the extent that a response is required, Morgan Stanley denies the allegations, except admits that Plaintiffs purport to base this Court's jurisdiction over the claims on 28 U.S.C. § 1332(d).

Response to Paragraph No. 8:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. The remainder of Paragraph 8 contains legal conclusions, which Morgan Stanley is not required to admit or deny. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of any allegations as they relate to any other Defendants, except admits that Morgan Stanley transacted business in the United States, including in this District.

Response to Paragraph No. 9:

Paragraph 9 contains legal conclusions, which Morgan Stanley is not required to admit or deny. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of any allegations as they relate to any other Defendants. Morgan Stanley denies any remaining allegations in this Paragraph, except admits that one or more Morgan Stanley entities is found or has an agent in this District. Morgan Stanley further admits that Plaintiffs purport to base venue in this District on 28 U.S.C. § 1391(b) 15 U.S.C. § 22.

Response to Paragraph No. 10:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 10, and on that basis, the allegations are denied.

Response to Paragraph No. 11:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 11, and on that basis, the allegations are denied.

Response to Paragraph No. 12:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 12, and on that basis, the allegations are denied.

Response to Paragraph No. 13:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 13, and on that basis, the allegations are denied.

Response to Paragraph No. 14:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 14, and on that basis, the allegations are denied.

Response to Paragraph No. 15:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a

belief as to the truth of the remaining allegations in Paragraph 15, and on that basis, the allegations are denied.

Response to Paragraph No. 16:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 16, and on that basis, the allegations are denied.

Response to Paragraph No. 17:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 17, and on that basis, the allegations are denied.

Response to Paragraph No. 18:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 18, and on that basis, the allegations are denied.

Response to Paragraph No. 19:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 19, and on that basis, the allegations are denied.

Response to Paragraph No. 20:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 20, and on that basis, the allegations are denied.

Response to Paragraph No. 21:

There are no allegations against Morgan Stanley in Paragraph 21, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 22:

There are no allegations against Morgan Stanley in Paragraph 22, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 23:

There are no allegations against Morgan Stanley in Paragraph 23, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 24:

There are no allegations against Morgan Stanley in Paragraph 24, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 25:

There are no allegations against Morgan Stanley in Paragraph 25, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 26:

There are no allegations against Morgan Stanley in Paragraph 26, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 27:

There are no allegations against Morgan Stanley in Paragraph 27, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 28:

There are no allegations against Morgan Stanley in Paragraph 28, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 29:

There are no allegations against Morgan Stanley in Paragraph 29, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 30:

There are no allegations against Morgan Stanley in Paragraph 30, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 31:

Admitted.

Response to Paragraph No. 32:

There are no allegations against Morgan Stanley in Paragraph 32, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 33:

There are no allegations against Morgan Stanley in Paragraph 33, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 34:

There are no allegations against Morgan Stanley in Paragraph 34, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 35:

There are no allegations against Morgan Stanley in Paragraph 35, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 36:

There are no allegations against Morgan Stanley in Paragraph 36, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant; on those bases, the allegations are denied.

Response to Paragraph No. 37:

There are no allegations against Morgan Stanley in Paragraph 37, and Paragraph 37 contains definitional statements to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations in Paragraph 37.

Response to Paragraph No. 38:

There are no allegations against Morgan Stanley in Paragraph 38, and Paragraph 38 contains definitional statements to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations in Paragraph 38.

Response to Paragraph No. 39:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and lacks knowledge sufficient to form a belief as to the truth of the allegations in Paragraph 39 as to any other Defendant or unnamed party. The remainder of Paragraph 39 contains legal conclusions and definitional statements, which Morgan Stanley is not required to admit or deny. To the extent that a response is required, Morgan Stanley denies the allegations in Paragraph 39.

Response to Paragraph No. 40:

Paragraph 40 and the corresponding footnotes contain legal conclusions and definitional statements to which no response is required. To the extent that a response is required, Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of any

allegations, and on that basis, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to bring a class action under Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure. Morgan Stanley refers to the cited material for its complete content and context.

Response to Paragraph No. 41:

Paragraph 41 contains legal conclusions and definitional statements to which no response is required. To the extent that a response is required, Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of any allegations, and on that basis, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to bring a class action under Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure.

Response to Paragraph No. 42:

Paragraph 42 contains legal conclusions and definitional statements to which no response is required. To the extent that a response is required, Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of any allegations, and on that basis, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to bring a class action under Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure.

Response to Paragraph No. 43:

Paragraph 43 contains legal conclusions and definitional statements to which no response is required. To the extent that a response is required, Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of any allegations, and on that basis, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to bring a class action under Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure.

Response to Paragraph No. 44:

Paragraph 44 contains legal conclusions and definitional statements to which no response is required. To the extent that a response is required, Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of any allegations, and on that basis, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to bring a class action under Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure.

Response to Paragraph No. 45:

Paragraph 45 contains legal conclusions and definitional statements to which no response is required. To the extent that a response is required, Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of any allegations, and on that basis, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to bring a class action under Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure.

Response to Paragraph No. 46:

Paragraph 46 contains legal conclusions and definitional statements to which no response is required. To the extent that a response is required, Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of any allegations, and on that basis, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to bring a class action under Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure.

Response to Paragraph No. 47:

Paragraph 47 contains legal conclusions and definitional statements to which no response is required. To the extent that a response is required, Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of any allegations, and on that basis, the

allegations are denied, except Morgan Stanley admits that Plaintiffs purport to bring a class action under Rules 23(a) and 23(b)(3) of the Federal Rules of Civil Procedure.

Response to Paragraph No. 48:

There are no allegations against Morgan Stanley in Paragraph 48, and Paragraph 48 contains definitional statements to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations in Paragraph 48.

Response to Paragraph No. 49:

Paragraph 49 contains legal conclusions and definitional statements to which no response is required. To the extent that a response is required, Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of any allegations, and on that basis, the allegations are denied.

Response to Paragraph No. 50:

Paragraph 50 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of any allegations, and on that basis, the allegations are denied.

Response to Paragraph No. 51:

Paragraph 51 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of any allegations, and on that basis, the allegations are denied.

Response to Paragraph No. 52:

Paragraph 52 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley and lacks

knowledge or information sufficient to form a belief as to the truth of any allegations as they relate to any other Defendant.

Response to Paragraph No. 53:

Paragraph 53 and subparagraphs (a)-(p) contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of any allegations as they relate to any other defendant.

Response to Paragraph No. 54:

Paragraph 54 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of any allegations as they relate to any other Defendant.

Response to Paragraph No. 55:

There are no allegations against Morgan Stanley in Paragraph 55, and Paragraph 55 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations in Paragraph 55.

Response to Paragraph No. 56:

There are no allegations against Morgan Stanley in Paragraph 56, and Paragraph 56 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations in Paragraph 56.

Response to Paragraph No. 57:

There are no allegations against Morgan Stanley in Paragraph 57, and Paragraph 57 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations in Paragraph 57.

Response to Paragraph No. 58:

There are no allegations against Morgan Stanley in Paragraph 58, and Paragraph 58 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations in Paragraph 58.

Response to Paragraph No. 59:

There are no allegations against Morgan Stanley in Paragraph 59, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 59; on those bases, the allegations are denied, except Morgan Stanley admits that currencies are traded globally in what Plaintiffs purport to define as the “FX market” and that Plaintiffs purport to rely on a report by the BIS. Morgan Stanley refers to the referenced material for its complete content and context.

Response to Paragraph No. 60:

There are no allegations against Morgan Stanley in Paragraph 60, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 60; on those bases, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to list the “G10” currencies.

Response to Paragraph No. 61:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 61, and on that basis, the allegations are denied.

Response to Paragraph No. 62:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief

as to the truth of the remaining allegations in Paragraph 62, and on that basis, the allegations are denied.

Response to Paragraph No. 63:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 63, and on that basis, the allegations are denied, except Morgan Stanley admits that FX trading may be conducted OTC or on an exchange.

Response to Paragraph No. 64:

There are no allegations against Morgan Stanley in Paragraph 64, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 64; on those bases, the allegations are denied, except Morgan Stanley admits that trading in various currency pairs occurs worldwide and that Plaintiffs purport to describe the times at which such trading occurs.

Response to Paragraph No. 65:

There are no allegations against Morgan Stanley in Paragraph 65, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 65; on those bases, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to describe the times at which FX trading occurs.

Response to Paragraph No. 66:

There are no allegations against Morgan Stanley in Paragraph 66, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 66; on those bases, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to describe the times at which FX trading on exchanges occurs.

Response to Paragraph No. 67:

There are no allegations against Morgan Stanley in Paragraph 67, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 67; on those bases, the allegations are denied, except Morgan Stanley admits that currencies are bought and sold in pairs.

Response to Paragraph No. 68:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 68, and on that basis, the allegations are denied, except Morgan Stanley admits that FX trading can be done electronically.

Response to Paragraph No. 69:

There are no allegations against Morgan Stanley in Paragraph 69, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations; on those bases, the allegations are denied, except Morgan Stanley admits that spot transactions, forward outright transactions, forward swaps, and options are types of FX transactions and that Plaintiffs purport to rely on information from the BIS. Morgan Stanley refers to the referenced material for its complete content and context.

Response to Paragraph No. 70:

There are no allegations against Morgan Stanley in Paragraph 70, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 70; on those bases, the allegations are denied.

Response to Paragraph No. 71:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 71, and on that basis, the allegations are denied, except Morgan Stanley admits that spot transactions occur OTC and that Plaintiffs purport to describe an example of how an FX spot transaction may occur.

Response to Paragraph No. 72:

There are no allegations against Morgan Stanley in Paragraph 72, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 72; on those bases, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to describe an example of how an FX spot transaction may occur.

Response to Paragraph No. 73:

There are no allegations against Morgan Stanley in Paragraph 73, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 73; on those bases, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to describe an example of how an FX spot transaction may occur.

Response to Paragraph No. 74:

There are no allegations against Morgan Stanley in Paragraph 74, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 74; on those bases, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to describe an example of how an FX spot transaction may occur.

Response to Paragraph No. 75:

There are no allegations against Morgan Stanley in Paragraph 75, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in

Paragraph 75; on those bases, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to describe an example of how an FX spot transaction may occur and that there are certain electronic trading systems—both proprietary and multi-bank—by which FX transactions may be executed.

Response to Paragraph No. 76:

There are no allegations against Morgan Stanley in Paragraph 76, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to “dealers,” “salespeople,” and “traders”; on those bases, the allegations are denied.

Response to Paragraph No. 77:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 77 and on that basis, the allegations are denied.

Response to Paragraph No. 78:

There are no allegations against Morgan Stanley in Paragraph 78, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 78; on those bases, the allegations are denied.

Response to Paragraph No. 79:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 79 and on that basis, the allegations are denied.

Response to Paragraph No. 80:

There are no allegations against Morgan Stanley in Paragraph 80, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in

Paragraph 80; on those bases, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to describe one way in which an FX transaction may occur.

Response to Paragraph No. 81:

There are no allegations against Morgan Stanley in Paragraph 81, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 81; on those bases, the allegations are denied.

Response to Paragraph No. 82:

There are no allegations against Morgan Stanley in Paragraph 82, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 82; on those bases, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to describe one way in which an FX transaction may occur.

Response to Paragraph No. 83:

There are no allegations against Morgan Stanley in Paragraph 83, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 83; on those bases, the allegations are denied.

Response to Paragraph No. 84:

There are no allegations against Morgan Stanley in Paragraph 84, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 84; on those bases, the allegations are denied.

Response to Paragraph No. 85:

There are no allegations against Morgan Stanley in Paragraph 85, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in

Paragraph 85; on those bases, the allegations are denied, except Morgan Stanley admits that WM/Reuters provides one of the various fixing rates used in some FX transactions.

Response to Paragraph No. 86:

There are no allegations against Morgan Stanley in Paragraph 86, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 86; on those bases, the allegations are denied, except Morgan Stanley admits that WM/Reuters provides one of the various fixing rates used in some FX transactions and that it is calculated according to procedures made publicly available.

Response to Paragraph No. 87:

There are no allegations against Morgan Stanley in Paragraph 86, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 87; on those bases, the allegations are denied, except Morgan Stanley admits that WM/Reuters provides one of the various fixing rates used in some FX transactions and that it is calculated according to procedures made publicly available.

Response to Paragraph No. 88:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 88 and on that basis, the allegations are denied.

Response to Paragraph No. 89:

There are no allegations against Morgan Stanley in Paragraph 89, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in

Paragraph 89; on those bases, the allegations are denied, except Morgan Stanley admits that ECB provides one of the various fixing rates used in some FX transactions.

Response to Paragraph No. 90:

There are no allegations against Morgan Stanley in Paragraph 90, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 90; on those bases, the allegations are denied, except Morgan Stanley admits that ECB provides one of the various fixing rates used in some FX transactions and that it is calculated according to procedures made publicly available.

Response to Paragraph No. 91:

There are no allegations against Morgan Stanley in Paragraph 91, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 91; on those bases, the allegations are denied.

Response to Paragraph No. 92:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 92, and on that basis, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to rely on *Euromoney* surveys. Morgan Stanley refers to the referenced material for its complete content and context.

Response to Paragraph No. 93:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 93, and on that basis, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to rely on public information. Morgan Stanley refers to the referenced material for its complete content and context.

Response to Paragraph No. 94:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 94, and on that basis, the allegations are denied.

Response to Paragraph No. 95:

There are no allegations against Morgan Stanley in Paragraph 95, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 95; on those bases, the allegations are denied.

Response to Paragraph No. 96:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 96, and on that basis, the allegations are denied.

Response to Paragraph No. 97:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 97, and on that basis, the allegations are denied.

Response to Paragraph No. 98:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief

as to the truth of the remaining allegations in Paragraph 98, and on that basis, the allegations are denied.

Response to Paragraph No. 99:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 99, and on that basis, the allegations are denied.

Response to Paragraph No. 100:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. The remainder of Paragraph 100 contains legal conclusions to which no response is required. To the extent a response is required, Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations, and on that basis, the allegations are denied.

Response to Paragraph No. 101:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 101, and on that basis, the allegations are denied.

Response to Paragraph No. 102:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 102, and on that basis, the allegations are denied.

Response to Paragraph No. 103:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief

as to the truth of the remaining allegations in Paragraph 103, and on that basis, the allegations are denied.

Response to Paragraph No. 104:

Morgan Stanley denies the allegations in Paragraph 104 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 105:

Morgan Stanley denies the allegations in Paragraph 105 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 106:

Morgan Stanley denies the allegations in Paragraph 106 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 107:

Morgan Stanley denies the allegations in Paragraph 107 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 108:

Morgan Stanley denies the allegations in Paragraph 108 as to Morgan Stanley, except admits that certain Morgan Stanley traders participated in chat rooms. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 109:

Morgan Stanley denies the allegations in Paragraph 109 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 110:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley denies the remaining allegations in Paragraph 110 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 111:

Morgan Stanley denies the allegations in Paragraph 111 as to Morgan Stanley, except admits that certain Morgan Stanley traders participated in chat rooms. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 112:

Morgan Stanley denies the allegations in Paragraph 112 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 113:

There are no allegations against Morgan Stanley in Paragraph 113, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 113; on those bases, the allegations are denied.

Response to Paragraph No. 114:

Morgan Stanley denies the allegations in Paragraph 114 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 115:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 115 as to Morgan Stanley, except admits that certain Morgan Stanley traders participated in chat rooms. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 116:

Morgan Stanley admits that Morgan Stanley traders typically quoted bid/ask spreads to customers as requested. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other Defendant.

Response to Paragraph No. 117:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 117 as to Morgan Stanley, except admits that certain Morgan Stanley traders participated in chat rooms. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 118:

There are no allegations against Morgan Stanley in Paragraph 118, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 118; on those bases, the allegations are denied.

Response to Paragraph No. 119:

Morgan Stanley denies the allegations in Paragraph 119 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 120:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 120 as to Morgan Stanley, except admits that certain Morgan Stanley traders participated in chat rooms. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 121:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 121 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 122:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 122 as to Morgan

Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 123:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 123 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 124:

Paragraph 124 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of any allegations as they relate to any other Defendant. Morgan Stanley refers to the cited information for its complete content and context.

Response to Paragraph No. 125:

Paragraph 125 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of any allegations as they relate to any other Defendant.

Response to Paragraph No. 126:

Morgan Stanley denies that it was a party to any conspiracy and denies the remaining allegations in Paragraph 126 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 127:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 127 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 128:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 128 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 129:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 129 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 130:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 130 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 131:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 131 as to Morgan

Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 132:

There are no allegations against Morgan Stanley in Paragraph 132, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 132; on those bases, the allegations are denied.

Response to Paragraph No. 133:

There are no allegations against Morgan Stanley in Paragraph 133, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 133; on those bases, the allegations are denied.

Response to Paragraph No. 134:

There are no allegations against Morgan Stanley in Paragraph 134, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 134; on those bases, the allegations are denied.

Response to Paragraph No. 135:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 135 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 136:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 136 as to Morgan

Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 137:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 137 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 138:

There are no allegations against Morgan Stanley in Paragraph 138, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 138; on those bases, the allegations are denied.

Response to Paragraph No. 139:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 139 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 140:

There are no allegations against Morgan Stanley in Paragraph 140, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 140; on those bases, the allegations are denied.

Response to Paragraph No. 141:

There are no allegations against Morgan Stanley in Paragraph 141, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 141; on those bases, the allegations are denied.

Response to Paragraph No. 142:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 142 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 143:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 143 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 144:

There are no allegations against Morgan Stanley in Paragraph 144, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 144; on those bases, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to describe a stop-loss order.

Response to Paragraph No. 145:

There are no allegations against Morgan Stanley in Paragraph 145, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in

Paragraph 145; on those bases, the allegations are denied, except Morgan Stanley admits that Plaintiffs purport to describe a stop-loss order.

Response to Paragraph No. 146:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 146 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 147:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 147 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 148:

Paragraph 148 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of any allegations as they relate to any other Defendant.

Response to Paragraph No. 149:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 149, and on that basis, the allegations are denied.

Response to Paragraph No. 150:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a

belief as to the truth of the remaining allegations in Paragraph 150, and on that basis, the allegations are denied.

Response to Paragraph No. 151:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 151, and on that basis, the allegations are denied.

Response to Paragraph No. 152:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 152, and on that basis, the allegations are denied, except Morgan Stanley admits that Morgan Stanley provided quotes to certain potential customers.

Response to Paragraph No. 153:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 153 and the corresponding footnotes, and on that basis, the allegations are denied, except Morgan Stanley admits it engaged in certain transactions with FXCM and OANDA pursuant to one or more agreements and admits that Plaintiffs purport to rely on certain public information. Morgan Stanley refers to the cited information for its complete content and context.

Response to Paragraph No. 154:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a

belief as to the truth of the remaining allegations in Paragraph 154, and on that basis, the allegations are denied.

Response to Paragraph No. 155:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 155, and on that basis, the allegations are denied.

Response to Paragraph No. 156:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 156, and on that basis, the allegations are denied.

Response to Paragraph No. 157:

Paragraph 157 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 157, and on that basis, the allegations are denied.

Response to Paragraph No. 158:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 158, and on that basis, the allegations are denied.

Response to Paragraph No. 159:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 159, and on that basis, the allegations are denied.

Response to Paragraph No. 160:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 160, and on that basis, the allegations are denied.

Response to Paragraph No. 161:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 161, and on that basis, the allegations are denied.

Response to Paragraph No. 162:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 162, and on that basis, the allegations are denied.

Response to Paragraph No. 163:

There are no allegations against Morgan Stanley in Paragraph 163, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 163; on those bases, the allegations are denied.

Response to Paragraph No. 164:

There are no allegations against Morgan Stanley in Paragraph 164, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 164; on those bases, the allegations are denied.

Response to Paragraph No. 165:

Paragraph 165 contains legal conclusions to which no response is required. To the extent that a response is required, there are no allegations against Morgan Stanley in Paragraph 166, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 165; and on those bases, the allegations are denied.

Response to Paragraph No. 166:

There are no allegations against Morgan Stanley in Paragraph 166, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 166; on those bases, the allegations are denied.

Response to Paragraph No. 167:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 167, and on that basis, the allegations are denied.

Response to Paragraph No. 168:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 168, and on that basis, the allegations are denied.

Response to Paragraph No. 169:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 169, and on that basis, the allegations are denied.

Response to Paragraph No. 170:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 170, and on that basis, the allegations are denied.

Response to Paragraph No. 171:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 171, and on that basis, the allegations are denied.

Response to Paragraph No. 172:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 172, and on that basis, the allegations are denied.

Response to Paragraph No. 173:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 173, and on that basis, the allegations are denied.

Response to Paragraph No. 174:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 174, and on that basis, the allegations are denied.

Response to Paragraph No. 175:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 175, and on that basis, the allegations are denied.

Response to Paragraph No. 176:

There are no allegations against Morgan Stanley in Paragraph 176, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 176; on those bases, the allegations are denied.

Response to Paragraph No. 177:

There are no allegations against Morgan Stanley in Paragraph 177, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 177; on those bases, the allegations are denied.

Response to Paragraph No. 178:

There are no allegations against Morgan Stanley in Paragraph 178, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 178; on those bases, the allegations are denied.

Response to Paragraph No. 179:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 179, and on that basis, the allegations are denied.

Response to Paragraph No. 180:

Morgan Stanley denies it was a party to any conspiracy or that it engaged in any illegal conduct as alleged. Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 180, and on that basis, the allegations are denied.

Response to Paragraph No. 181:

Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 181, and on that basis, the allegations are denied.

Response to Paragraph No. 182:

There are no allegations against Morgan Stanley in Paragraph 178, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 182; on those bases, the allegations are denied.

Response to Paragraph No. 183:

There are no allegations against Morgan Stanley in Paragraph 183, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 183; on those bases, the allegations are denied.

Response to Paragraph No. 184:

Morgan Stanley denies the allegations in Paragraph 184 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the remaining allegations in Paragraph 184.

Response to Paragraph No. 185:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies the remaining allegations in Paragraph 185 except admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 186:

There are no allegations against Morgan Stanley in Paragraph 186, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 186; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 187:

There are no allegations against Morgan Stanley in Paragraph 187, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 187; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 188:

There are no allegations against Morgan Stanley in Paragraph 188, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 188; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 189:

There are no allegations against Morgan Stanley in Paragraph 189, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 189; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 190:

There are no allegations against Morgan Stanley in Paragraph 190, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 190; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 191:

There are no allegations against Morgan Stanley in Paragraph 191, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 191; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 192:

There are no allegations against Morgan Stanley in Paragraph 192, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 192; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 193:

There are no allegations against Morgan Stanley in Paragraph 193, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 193; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 194:

There are no allegations against Morgan Stanley in Paragraph 194, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 194; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 195:

There are no allegations against Morgan Stanley in Paragraph 195, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 195; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 196:

There are no allegations against Morgan Stanley in Paragraph 196, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 196; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 197:

There are no allegations against Morgan Stanley in Paragraph 197, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 197; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 198:

There are no allegations against Morgan Stanley in Paragraph 198, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 198; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 199:

There are no allegations against Morgan Stanley in Paragraph 199, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 199; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 200:

There are no allegations against Morgan Stanley in Paragraph 200, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 200; on those bases, the allegations are denied, except Morgan Stanley admits that there is publicly available information regarding inquiries into FX-related conduct. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 201:

There are no allegations against Morgan Stanley in Paragraph 201, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 201; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 202:

There are no allegations against Morgan Stanley in Paragraph 202, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in

Paragraph 202; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 203:

There are no allegations against Morgan Stanley in Paragraph 203, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 203; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 204:

There are no allegations against Morgan Stanley in Paragraph 204, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 204; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 205:

There are no allegations against Morgan Stanley in Paragraph 205, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 205; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain

information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 206:

Morgan Stanley denies the allegations in Paragraph 206 as to Morgan Stanley, except admits that Plaintiffs purport to rely on publicly reported information concerning an investigation by CADE into Morgan Stanley and other Defendants regarding FX-related conduct. Morgan Stanley refers to the referenced material for its complete content and context and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as to any other Defendant.

Response to Paragraph No. 207:

There are no allegations against Morgan Stanley in Paragraph 207, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 207; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 208:

There are no allegations against Morgan Stanley in Paragraph 208, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 208; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 209:

There are no allegations against Morgan Stanley in Paragraph 209, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 209; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 210:

There are no allegations against Morgan Stanley in Paragraph 210, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 210; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 211:

There are no allegations against Morgan Stanley in Paragraph 211, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 211; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 212:

There are no allegations against Morgan Stanley in Paragraph 212, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 212; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 213:

There are no allegations against Morgan Stanley in Paragraph 213, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 213; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 214:

There are no allegations against Morgan Stanley in Paragraph 214, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 214; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 215:

Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 215, and on that basis, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 216:

There are no allegations against Morgan Stanley in Paragraph 216, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 216; on those bases, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 217:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and lacks knowledge or information sufficient to form a belief about the truth of the remaining allegations in Paragraph 217, and on that basis, the remaining allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 218:

Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 218, and on that basis, the allegations are denied, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 219:

Morgan Stanley denies the allegations in Paragraph 219 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief about the truth of the allegations in Paragraph 219 as to any other Defendant, except Morgan Stanley admits that government authorities have investigated conduct in the FX market and have made public certain information about those investigations and that Morgan Stanley has made public disclosures regarding inquiries into FX-related conduct. Morgan Stanley refers to that public material for its complete content and context.

Response to Paragraph No. 220:

Morgan Stanley admits that Plaintiffs purport to describe the *FOREX* action. Morgan Stanley refers to the cited material for its full content and context and denies any remaining allegations in Paragraph 220.

Response to Paragraph No. 221:

Morgan Stanley admits that Plaintiffs purport to describe the *FOREX* action. Morgan Stanley refers to the cited material for its full content and context and denies any remaining allegations in Paragraph 221.

Response to Paragraph No. 222:

Morgan Stanley admits that Plaintiffs purport to describe the *FOREX* action. Morgan Stanley refers to the cited material for its full content and context and denies any remaining allegations in Paragraph 222.

Response to Paragraph No. 223:

Morgan Stanley admits that Plaintiffs purport to describe the *FOREX* action. Morgan Stanley refers to the cited material for its full content and context and denies any remaining allegations in Paragraph 223.

Response to Paragraph No. 224:

Morgan Stanley admits that Plaintiffs purport to describe the *FOREX* action. Morgan Stanley refers to the cited material for its full content and context and denies any remaining allegations in Paragraph 224.

Response to Paragraph No. 225:

Morgan Stanley admits that Plaintiffs purport to describe the *FOREX* action. Morgan Stanley refers to the cited material for its full content and context and denies any remaining allegations in Paragraph 225.

Response to Paragraph No. 226:

Morgan Stanley admits that Plaintiffs purport to describe the *FOREX* action. Morgan Stanley refers to the cited materials for their complete content and context and denies any remaining allegations in Paragraph 226.

Response to Paragraph No. 227:

Morgan Stanley admits that Plaintiffs purport to describe the *FOREX* action. Morgan Stanley refers to the cited materials for their complete content and context and denies any remaining allegations in Paragraph 227.

Response to Paragraph No. 228:

Morgan Stanley denies the allegations in Paragraph 228 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other defendant.

Response to Paragraph No. 229:

Morgan Stanley denies the allegations in Paragraph 229 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other defendant.

Response to Paragraph No. 230:

Morgan Stanley denies the allegations in Paragraph 230 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other defendant.

Response to Paragraph No. 231:

There are no allegations about Morgan Stanley in Paragraph 231, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 231; on those bases, the allegations are denied.

Response to Paragraph No. 232:

There are no allegations about Morgan Stanley in Paragraph 232, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 232; on those bases, the allegations are denied.

Response to Paragraph No. 233:

There are no allegations about Morgan Stanley in Paragraph 233, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 233; on those bases, the allegations are denied.

Response to Paragraph No. 234:

There are no allegations about Morgan Stanley in Paragraph 234, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 234; on those bases, the allegations are denied.

Response to Paragraph No. 235:

There are no allegations about Morgan Stanley in Paragraph 235, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 235; on those bases, the allegations are denied.

Response to Paragraph No. 236:

There are no allegations about Morgan Stanley in Paragraph 236, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 236; on those bases, the allegations are denied.

Response to Paragraph No. 237:

There are no allegations about Morgan Stanley in Paragraph 237, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 237; on those bases, the allegations are denied.

Response to Paragraph No. 238:

There are no allegations about Morgan Stanley in Paragraph 238, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 238; on those bases, the allegations are denied.

Response to Paragraph No. 239:

There are no allegations about Morgan Stanley in Paragraph 239, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 239; on those bases, the allegations are denied.

Response to Paragraph No. 240:

There are no allegations about Morgan Stanley in Paragraph 240, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 240; on those bases, the allegations are denied.

Response to Paragraph No. 241:

There are no allegations about Morgan Stanley in Paragraph 241, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 241; on those bases, the allegations are denied.

Response to Paragraph No. 242:

There are no allegations about Morgan Stanley in Paragraph 242, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 242; on those bases, the allegations are denied.

Response to Paragraph No. 243:

There are no allegations about Morgan Stanley in Paragraph 243, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 243; on those bases, the allegations are denied.

Response to Paragraph No. 244:

There are no allegations about Morgan Stanley in Paragraph 244, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 244; on those bases, the allegations are denied.

Response to Paragraph No. 245:

Morgan Stanley denies the allegations in Paragraph 243 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other defendant, except Morgan Stanley admits that Morgan Stanley has in place robust compliance systems and that Plaintiffs purport to rely on information from PricewaterhouseCoopers. Morgan Stanley refers to the referenced material for its complete content and context.

Response to Paragraph No. 246:

Morgan Stanley denies the allegations in Paragraph 246 as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other defendant.

Response to Paragraph No. 247:

Paragraph 247 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley and lacks knowledge or information sufficient to form a belief as to the truth of the allegations as they relate to any other defendant.

Response to Paragraph No. 248:

Paragraph 248 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 249:

Paragraph 249 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 250:

Paragraph 250 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 251:

Paragraph 251 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 252:

The allegations in Paragraph 252 are entirely conclusory and do not require a response. To the extent that a response is required, Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 253:

The allegations in Paragraph 253 are entirely conclusory and do not require a response. To the extent that a response is required, Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 254:

The allegations in Paragraph 254 are entirely conclusory and do not require a response. To the extent that a response is required, Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations in Paragraph 254 as to Morgan Stanley. Morgan Stanley lacks knowledge or

information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 255:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations in Paragraph 255 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 256:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations in Paragraph 256 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant. Morgan Stanley refers to the cited information for its complete content and context.

Response to Paragraph No. 257:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations in Paragraph 257 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 258:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations in Paragraph 258 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 259:

There are no allegations about Morgan Stanley in Paragraph 259, and Morgan Stanley lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 259; on those bases, the allegations are denied.

Response to Paragraph No. 260:

Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations in Paragraph 260 as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 261:

Paragraph 261 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 262:

In answering Paragraph 262, Morgan Stanley repeats and incorporates its answers to the paragraphs realleged therein.

Response to Paragraph No. 263:

Paragraph 263 and subparagraphs (a) through (e) contain legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 264:

In answering Paragraph 264, Morgan Stanley repeats and incorporates its answers to the paragraphs realleged therein.

Response to Paragraph No. 265:

Paragraph 265 contains legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies that it was a party to any conspiracy or that it engaged in any illegal conduct as alleged and denies any remaining allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 266:

Paragraph 266 and subparagraphs (a) through (f) contain legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 267:

In answering Paragraph 267, Morgan Stanley repeats and incorporates its answers to the paragraphs realleged therein.

Response to Paragraph No. 268:

Paragraph 268 and subparagraphs (a) through (e) contain legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 269:

In answering Paragraph 269, Morgan Stanley repeats and incorporates its answers to the paragraphs realleged therein.

Response to Paragraph No. 270:

Paragraph 270 and subparagraphs (a) through (h) contain legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 271:

In answering Paragraph 271, Morgan Stanley repeats and incorporates its answers to the paragraphs realleged therein.

Response to Paragraph No. 272:

Paragraph 272 and subparagraphs (a) through (e) contain legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley the allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 273:

In answering Paragraph 273, Morgan Stanley repeats and incorporates its answers to the paragraphs realleged therein.

Response to Paragraph No. 274:

Paragraph 274 and subparagraphs (a) through (e) contain legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the

allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 275:

In answering Paragraph 275, Morgan Stanley repeats and incorporates its answers to the paragraphs realleged therein.

Response to Paragraph No. 276:

Paragraph 276 and subparagraphs (a) through (g) contain legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 277:

In answering Paragraph 277, Morgan Stanley repeats and incorporates its answers to the paragraphs realleged therein.

Response to Paragraph No. 278:

Paragraph 278 and subparagraphs (a) through (d) contain legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

Response to Paragraph No. 279:

In answering Paragraph 279, Morgan Stanley repeats and incorporates its answers to the paragraphs realleged therein.

Response to Paragraph No. 280:

Paragraph 280 and subparagraphs (a) through (h) contain legal conclusions to which no response is required. To the extent that a response is required, Morgan Stanley denies the allegations as to Morgan Stanley. Morgan Stanley lacks knowledge or information sufficient to form a belief about the truth of the allegations as to any other Defendant.

RESPONSE TO PLAINTIFFS' REQUESTS FOR RELIEF

Morgan Stanley denies that Plaintiffs are entitled to the relief requested at the conclusion of the SCCAC or to any relief.

RESPONSE TO PLAINTIFFS' DEMAND FOR JURY TRIAL

Morgan Stanley reserves its right to contest Plaintiffs' jury trial demand.

AFFIRMATIVE DEFENSES

Without assuming any burden of proof that it would not otherwise bear, and reserving the right to assert additional defenses, counterclaims, cross-claims, or third-party claims, Morgan Stanley asserts the following additional defenses:

FIRST AFFIRMATIVE DEFENSE

The SCCAC fails to state a claim upon which relief can be granted.

SECOND AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because Plaintiffs lack Article III standing and antitrust standing.

THIRD AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because Plaintiffs cannot prove injury or antitrust injury, including because Plaintiffs have not suffered an injury-in-fact and Plaintiffs'

alleged injuries are too speculative, indirect and remote from the alleged conduct, and cannot be ascertained and apportioned.

FOURTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, by the applicable statutes of limitations, including because Plaintiffs were on notice of, but failed to investigate, their purported claims.

FIFTH AFFIRMATIVE DEFENSE

This action cannot be maintained as a class action as a matter of law and fact.

SIXTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because Morgan Stanley did not participate in, and had no knowledge of, any alleged agreement, contract, combination, or conspiracy as alleged in the SCCAC.

SEVENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because Morgan Stanley's conduct was pro-competitive, reasonable, and permissible and was based on independent, legitimate, and self-interested business and economic justification.

EIGHTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because to the extent Plaintiffs suffered any loss or injury or incurred any damages as alleged in the SCCAC, which Morgan Stanley denies, Morgan Stanley's alleged conduct was not the actual or proximate cause of any injury or damage to Plaintiffs.

NINTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because to the extent Plaintiffs suffered any injury or incurred any damages as alleged in the SCCAC, which Morgan Stanley denies, any

such injury or damage was caused and brought about by the conduct or omissions of individuals or entities other than Morgan Stanley.

TENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because to the extent Plaintiffs suffered any injury or incurred any damages as alleged in the SCCAC, which Morgan Stanley denies, any such injury or damage was caused and brought about by intervening or superseding events, factors, occurrences, conditions, or acts of others, including forces in the market place, and not by the alleged wrongful conduct on the part of Morgan Stanley.

ELEVENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because each of the Plaintiffs had actual or constructive knowledge of some or all of the alleged facts in the SCCAC upon which Morgan Stanley's liability is asserted. Furthermore, each Plaintiff knew or should have known the risks associated with FX transactions, and each Plaintiff assumed the risk that it might be damaged by entering into an FX transaction.

TWELFTH AFFIRMATIVE DEFENSE

Plaintiffs' antitrust claims are barred, in whole or in part, because the conduct alleged is expressly or impliedly immune from challenge under the antitrust laws.

THIRTEENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because Morgan Stanley is not liable for the acts of any other Defendant.

FOURTEENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because Plaintiffs' alleged damages, if any, are too speculative, uncertain, and not of the nature or to the extent alleged.

FIFTEENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, by the doctrines of waiver, estoppel, and/or laches.

SIXTEENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, for failure to mitigate or eliminate their damages, if any.

SEVENTEENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because any recovery would result in unjust enrichment for Plaintiffs.

EIGHTEENTH AFFIRMATIVE DEFENSE

Plaintiffs have failed to state an adequate basis for an award of treble damages, including because Plaintiffs have not been injured or incurred any damages and because the alleged conduct was not a material or proximate cause of any injury to Plaintiffs.

NINETEENTH AFFIRMATIVE DEFENSE

Plaintiffs are not entitled to interest, costs, disbursements, or attorneys' fees in connection with this action.

TWENTIETH AFFIRMATIVE DEFENSE

Plaintiffs are not entitled to injunctive relief as they have an adequate remedy at law.

TWENTY-FIRST AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because none of Morgan Stanley's alleged actions or omissions substantially lessened competition within any properly defined market.

TWENTY-SECOND AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because the SCCAC has insufficiently alleged a relevant product market and geographic market and is so vague and ambiguous as to deny Morgan Stanley notice of the markets alleged by Plaintiffs.

TWENTY-THIRD AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because they have not pleaded fraudulent concealment with particularity, as required by Rule 9(b) of the Federal Rules of Civil Procedure.

TWENTY-FOURTH AFFIRMATIVE DEFENSE

Plaintiffs' claims based on FX transactions outside the United States are barred, in whole or in part, by the Foreign Trade Antitrust Improvements Act, 15 U.S.C. § 6a and the Federal Trade Commission Act, 15 U.S.C. § 45.

TWENTY-FIFTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, to the extent they agreed to arbitrate any claims related to any transactions at issue.

TWENTY-SIXTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are limited by operation of law including, as applicable, any rights of set-off, contribution, and indemnification.

TWENTY-SEVENTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, by Stipulation and Agreement of Settlement with Morgan Stanley, Morgan Stanley & Co. LLC and Morgan Stanley & Co. International plc. issued in the case *In re Foreign Exchange Benchmark Rates Antitrust Litig.*, No. 13-cv-7789.

TWENTY-EIGHTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, by the Due Process guarantees of the Fifth and Fourteenth Amendments of the United States Constitution, including to the extent that they seek improper multiple damage awards and damage awards duplicative of those sought in other actions.

TWENTY-NINTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, to the extent that any alleged overcharges were passed on to persons or entities other than Plaintiffs.

THIRTIETH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because the SCCAC fails to plead any specific intrastate misconduct or injuries within the relevant states.

THIRTY-FIRST AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part because the SCCAC fails to plead any unfair or deceptive actions that primarily and substantially occur within the relevant states.

THIRTY-SECOND AFFIRMATIVE DEFENSE

Plaintiffs' consumer protection claims are barred, in whole or in part, because Plaintiffs are not consumers under the relevant statutes.

THIRTY-THIRD AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, by preemption as creating unnecessary and overlapping supervision, enforcement and liability in the face of existing state or federal

laws and regulatory schemes, where the overlapping regulatory regime provides plaintiffs an adequate remedy.

THIRTY-FOURTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, by the Dodd-Frank Wall Street Reform and Consumer Protection Act.

THIRTY-FIFTH AFFIRMATIVE DEFENSE

Plaintiffs' claims are barred, in whole or in part, because the Morgan Stanley defendants, as federally-regulated banks, are exempt from liability pursuant to Fla. Stat. § 501.212(4)(c) and the Illinois Antitrust Act, 740 Ill. Comp. Stat. 10/1., *et seq.*

THIRTY-SIXTH AFFIRMATIVE DEFENSE

Morgan Stanley hereby adopts and incorporates by reference any and all other defenses asserted or to be asserted by any other Defendant in this action to the extent Morgan Stanley may share in any such defense.

ADDITIONAL DEFENSES

Morgan Stanley has insufficient knowledge or information upon which to form a belief as to whether additional defenses are available. Morgan Stanley reserves the right to amend this Answer to add, delete, or modify additional defenses based on legal theories that may or will be divulged through clarification of the SCCAC, through discovery, change, clarification of the governing law, further legal analysis of Plaintiffs' positions in this litigation, or other investigation.

WHEREFORE, Morgan Stanley respectfully requests that the Court enter an Order:

- A. Denying Plaintiffs the relief sought in the SCCAC;
- B. Dismissing the SCCAC with prejudice;

C. Awarding Morgan Stanley its costs and expenses in this action, including an award of reasonable attorneys' fees, as applicable; and

D. Awarding Morgan Stanley such other and further relief as the Court deems just and proper.

Dated: New York, New York
January 11, 2019

WACHTELL, LIPTON, ROSEN & KATZ

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